GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:2508
ANSWERED ON:16.12.2004
VRS OF EMPLOYEES IN AIR INDIA
Zahedi Shri Mahboob

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Government has recently approved Voluntary Retirement Scheme(VRS) for the employees of Air India and its subsidiary Hotel Corporation of India(HCI);

(b) if so, whether the VRS approved for employees of HCI is different from VRS approved for Air India employees;

(c) if not, the details thereof and the reasons therefor;

(d) whether DPE guidelines in implementing the said VRS and Air India were violated;

(e) if so, whether some employees of HCI who were given VRS have represented to the Government for not giving them one month`s notice or notice pay which is mandatory under VRS; and

(f) if so, the action taken by the Government to ensure that the employees are given one month`s notice or notice pay?

Answer

MINISTER OF STATE(INDEPENDENT CHARGE) OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL)

(a): Yes,Sir.

(b) and (c): The Voluntary Retirement Schemes implemented by Air India and HCI were based on DPE guidelines (Gujarat Pattern). Only difference in both the Schemes is with regard to VRS compensation. In the case of Air India, the pay scales of the employees are yet to be revised and as such, the VRS compensation which was paid, was based on the last salary drawn in the pre-revised pay scales and the VRS compensation was enhanced by 50%. These were based on the detailed guidelines issued by the Department of Public Enterprises. In HCI, the pay scales of employees were revised effective 1997. Hence, the VRS compensation was calculated/paid based on revised Scales.

(d),(e)and (f): No, Sir. DPE guidelines were not violated while implementing VRS. However, some employees of HCI had made representations which were replied by HCI appropriately. HCI had displayed/notified the names of the employee by serving 30 days notice and also issued individual letters. In the case of Air India, the notice conveying acceptance of VRS was conveyed with one month`s Notice/ the date from which the employee had preferred to retire, which did not involve payment of any salary. As the VRS is voluntary in nature, the question of giving one month`s notice or notice pay by Air India did not arise and therefore, had not been provided in the scheme of Air India as mandatory requirement.